

## CHAPTER

## 9

## SECTION 2

## CORE WORKSHEET

## Types of Interest Groups

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**Different Interest Groups, Different Views**

**Part 1** In this activity, you will explore how a single public-policy issue might draw the attention of many different interest groups, each with its own point of view. Read the excerpts below, which discuss a proposed increase in the minimum wage. Then follow the directions in Part 2.

**Reading 1**

A minimum wage increase would raise the wages of millions of workers . . .

Minimum wage increases benefit working families . . .

Minimum wage increases benefit disadvantaged workers . . .

A minimum wage increase would help reverse the trend of declining real wages for low-wage workers . . .

A minimum wage increase is part of a broad strategy to end poverty . . .

The inflation-adjusted value of the minimum wage is 19% lower in 2008 than it was in 1979 . . .

There is no evidence of job loss from the last minimum wage increase . . .

An estimated 13.0 million workers (10% of the workforce) would benefit from an increase in the federal minimum wage to \$7.25 by 2009. Of these workers, 5.6 million would be directly affected and 7.4 million would indirectly receive raises due to the spillover effect of a minimum wage increase. Of the total affected workers, 79% are adults and 59% are women. Over half (53%) work full time and another third (31%) work between 20 and 34 hours per week. More than one-quarter (26%) of the workers who would benefit from an increase to \$7.25 are parents of children under age 18, including 1.2 million single parents. The average minimum wage worker brings home over half (58%) of his or her family's weekly earnings.

—Economic Policy Institute, *Issue Guide: Minimum Wage*, August 2008

**CORE WORKSHEET (continued)****Types of Interest Groups****3****Reading 2**

- Average household income of a minimum wage earner: \$49,885
- Proportion of minimum wage earners under 25: 53 percent
- Proportion of all adult hourly workers who are single parents working full time: 6.3 percent
- Proportion of adult minimum wage earners who are single parents working full time: 6.1 percent

Many support raising the minimum wage because they want to help low-income Americans get ahead. But while some minimum wage-earners do live below the poverty line, these workers are far from representative. Only one in five minimum wage-earners lives in a family that earns less than the poverty line. Three-fifths work part-time, and a majority are under 25 years old. Minimum wage-earners' average family income is almost \$50,000 per year. Very few are single parents working full-time to support their families—no more than in the population as a whole. It is not surprising, then, that studies show that higher minimum wages do not reduce poverty rates. Instead of raising the minimum wage, Congress should look at other ways to aid the working poor that actually focus on providing help to those who need it.

—“Who Earns the Minimum Wage—Single Parents or Suburban Teenagers?” from The Heritage Foundation, August 2006, by Rea S. Hederman, Jr. and James Sherk

Due to unintended effects, a law can achieve the opposite of its supporters' intentions. The minimum wage is such a law. It is intended to reduce poverty, but it does not. Instead it encourages teenagers to drop out of school and reduces low-income workers' future job prospects and earnings. Good intentions are not enough. Congress should not pass a destructive minimum wage hike that will harm the most vulnerable American workers.

—“Raising the Minimum Wage Hurts Vulnerable Workers' Job Prospects without Reducing Poverty” from The Heritage Foundation, July 25, 2006 by James Sherk

**Part 2** Below are brief descriptions of several interest groups. Based on the readings above and what you know about interest groups, write a brief statement describing the position you think each group would take on the minimum wage issue. Take the role of a group member in writing your position statements.

1. *Labor Union*: This union represents many low-wage workers, including some who currently receive the minimum wage.

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**CORE WORKSHEET (continued)**

**Types of Interest Groups**

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2. *Restaurant and Hotel Association:* This organization represents businesses that employ many low-wage workers, including some who currently receive the minimum wage.

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3. *Farmers Association:* This organization represents many small farmers who employ many low-wage workers, including some who receive the minimum wage.

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4. *Social Welfare Organization:* This organization favors policies that improve life for the poor and disadvantaged.

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5. *Association of Citizens Favoring Small Government:* This organization represents people who believe strongly in having firm limits on the power of government to interfere in the lives of citizens.

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